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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

SECRETARY

In the Matter of)
)
Revision of) CC Docket No. 96-23
Filing Requirements)

REPLY COMMENTS

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AT&T Corp. ("AT&T") respectfully submits the following reply to the comments of other parties in response to the Commission's Notice of Proposed Rulemaking ("NPRM"), FCC 96-64, released February 27, 1996.¹ Numerous commenters joined AT&T in supporting proposals in the NPRM to eliminate three divestiture related reports² and the Circuit Report³ and there was no opposition to these proposals. AT&T also demonstrated that the NPRM correctly proposed to eliminate the CPE and Enhanced Services Non-Discrimination Reports and the Equipment Blockage and Failure Report currently required of AT&T. No other commenter even addressed, much less opposed, such relief. Therefore, all of these reports should be eliminated.

¹ The commenting parties referenced in these Reply Comments and the abbreviations used to identify them are set forth in the Appendix.

² Bell Atlantic (p. 2); NYNEX (pp. 1-2); Pacific (pp. 2-3); SWBT (p. 2); U S WEST (pp. 2-3).

³ GTE (p. 2); Sprint (pp. 1-2); USTA (p. 2).

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Additionally, Sprint joined AT&T in reporting that the process permitted in the respective private payphone compensation waiver orders applicable to them is operating as intended. AT&T had proposed that, instead of regular reports, the Commission require an exception report if the compensation rate is not 25 cents or if a dispute with a payee arose. Sprint suggests (pp. 3-4) that the Commission could request information on an ad hoc basis whenever appropriate and could address disputes by means of the complaint process. AT&T agrees that this approach would also satisfy the Commission's regulatory objectives. Therefore, rather than reducing the frequency of the Payphone Compensation Report from quarterly to semi-annually, the Commission should eliminate it altogether and arrange to be informed by an appropriate means in the event a problem arises.⁴

The final issue discussed by AT&T was the NPRM's proposal to reduce the frequency of the Report of Unsecured Credit to Political Candidates from semi-annually to annually. AT&T supported the proposal and also offered the alternative of reporting only after each primary and general election (pp. 6-7). NYNEX (p. 3) and GTE (p. 8) also supported the annual reporting proposal,

⁴ In all events, at a minimum, the Commission should reduce the filing frequency to annually.

with GTE adding the caveat "assuming it can be shown that there is any real requirement for its continuation" (id.). Therefore, the Commission should evaluate whether there is an ongoing need for this report (with annual reporting as the minimum relief to be afforded).

Various LECs went beyond the proposals in the NPRM and urged the Commission to eliminate other reports. AT&T will not address all of these proposals, but opposes the proposal of Bell Atlantic (p. 6) and BellSouth (fn.10) to eliminate ARMIS Report 43-04. These commenters ignore that the proposals in the NPRM arose out of a Commission directive to the Common Carrier Bureau to review "all reports filed with the Bureau" in order to implement the President's Regulatory Reform Initiative, which calls for eliminating or reducing reporting requirements as appropriate (NPRM ¶¶ 1-2). Evidently, eliminating the ARMIS 43-04 Report did not meet this standard and thus the Bureau did not make such a proposal.

Moreover, these commenters also ignore that by Order in this proceeding, DA 96-381, released March 20, 1996, the Commission stated that the Bureau will, at a later date, provide further guidance on necessary changes to ARMIS reports in light of the Telecommunications Act of

1996.⁵ (¶ 5.) Thus, the Bell Atlantic and BellSouth proposal to eliminate ARMIS 43-04 is clearly premature.⁶

Further, the position of Bell Atlantic that the relevant information in the ARMIS 43-04 Report is available in the ARMIS 43-01 and 43-03 Reports, and the position of BellSouth that the 43-04 Report is a "regulatory anachronism," are both wrong on the merits. Contrary to Bell Atlantic's position, the ARMIS 43-04 Report contains more disaggregated and detailed data than either the ARMIS 43-01 or 43-03 Reports, and thus is the only publicly available means for monitoring LEC compliance with the Commission's Rules on jurisdictional separations procedures (47 C.F.R., Part 36) and access charges (47 C.F.R., Part 69). A specific example is compliance with the 5 percent guideline for allocating Other Billing & Collection expenses to the Common Line

⁵ SWBT noted that, in connection with such a proceeding, it intends to recommend elimination and revision of several ARMIS reporting requirements.

⁶ Similarly, CBT's proposal (p. 2) to increase the threshold for filing Cost Allocation Manuals from \$100 million to \$1 billion should be rejected, at least at this time. The \$100 million threshold to which CBT objects is set forth in a number of Commission Rules, e.g., the distinction between Class A and Class B telephone companies in § 32.11. Whether it would be appropriate to stop treating CBT as a large LEC should be examined in detail, and not on the basis of a single comment in a proceeding on a different issue.

element.⁷ Because other ARMIS reports combine these expenses with other items, only the 43-04 Report permits parties to determine that the LECs are not allocating more than the guideline 5 percent of this specific expense. Moreover, contrary to BellSouth's argument, a report needed to measure compliance with the Commission's access charges rules is not a "regulatory anachronism."

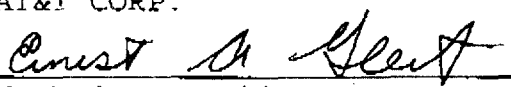
CONCLUSION

The Commission should eliminate or reduce the frequency of reports required of AT&T as proposed in AT&T's Comments and Reply Comments and should not adopt proposals to eliminate the ARMIS 43-04 Report or to increase the threshold for Cost Allocation Manuals.

Respectfully submitted,

AT&T CORP.

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⁷ The Commission reaffirmed this guideline in National Exchange Carrier Association, Inc., Order on Reconsideration, FCC 96-104, released April 5, 1996.

APPENDIX

The Bell Atlantic Telephone Companies ("Bell Atlantic")
BellSouth Corporation and BellSouth Telecommunications,
Inc. ("BellSouth")
Cincinnati Bell Telephone Company ("CBT")
GTE Service Corporation ("GTE")
NYNEX Telephone Companies ("NYNEX")
Pacific Bell and Nevada Bell ("Pacific")
Southwestern Bell Telephone Company ("SWBT")
Sprint Corporation ("Sprint")
United States Telephone Association ("USTA")
U S WEST Communications, Inc. ("U S WEST")

CERTIFICATE OF SERVICE

I, Ann Marie Abrahamson, do hereby certify that
on this 23rd day of April, 1996, a copy of the foregoing
"Reply Comments" of AT&T Corp. was mailed by U.S. first
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A handwritten signature in cursive script, reading "Ann Marie Abrahamson", written over a horizontal line.

Ann Marie Abrahamson